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DEPT FOR EUR/AGS, INR/EU, AND EUR/PPD FOR YVETTE SAINT-ANDRE

OSD FOR COMMANDER CHAFFEE

WHITEHOUSE FOR NSC/WEUROPE

E.O. 12958: N/A TAGS: <u>OPRC KPAO AU</u>

SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: May 15, 2007

Eurofighter: Darabos Says Talks to Continue

1. Austrian Defense Minister Norbert Darabos from the Social Democrats said negotiations with EADS, the manufacturer of the Eurofighter interceptors, will continue. Speaking in Brussels at a joint meeting of foreign and defense ministers, Darabos said talks would resume in a few days. A scenario that would permit Austria to back out of the deal nevertheless remains a top priority for him, the Minister added.

Meanwhile, reports have surfaced in the Austrian media that EADS, the manufacturer of the Eurofighter jets, has been paying soccer team Rapid Wien of the Austrian soccer league a million Euros per year since 2003. The team's president, former Finance Minister Rudolf Edlinger from the SPOe, cited confidentiality requirements and declined to comment on the payments made by EADS, centrist daily Die Presse wrote. Also, the parliamentary investigative committee looking into the Eurofighter purchase by the former OeVP-FPOe/BZOe coalition government met again on Monday to discuss why documents related to the case have been blacked out and censored by the Finance Ministry. Finance Minister Wilhelm Molterer and senior ministry officials appeared before the inquiry on Monday.

Former Austrian Embassy Staff Charged in Sale of Visas

12. Seven people have been charged in connection with the sale of visas through Austria's embassy in Budapest. The persons in question include two former Foreign Ministry employees and five suspected accomplices. Charges include abuse of office, human trafficking and criminal networking.

Like all Austrian media reporting on the charges brought against former Foreign Ministry employees and their accomplices in connection with the sale of visas through Austria's embassy in Budapest, semi-official daily Wiener Zeitung said that media reports indicate companies in Austria supplied false letters of invitation to citizens of Serbia and Moldova so visas could be issued more easily by the Austrian embassy staff. Budapest is not the only Foreign Ministry post under suspicion: Kiev, Ankara, Belgrade and Lagos have also been named. Visas were allegedly sold not just for Austria, but for the entire Schengen Area, which includes most of Western Europe. An investigation into visa practices at the Austrian Embassy in the Ukrainian capital Kiev is expected to be completed by the end of May. According to the committee investigating the sale of visas, which is headed by former Foreign Minister Peter Jankowitsch of the SPOe, no evidence has been found suggesting the involvement of any criminal network, but a failure in personal management is said to be responsible. The Social Democrats and the Greens want a parliamentary investigation, according to the daily.

 $\underline{\hbox{\tt 1}}{\hbox{\tt 3}}.$ Starting May 15 in Salzburg, the international conference "Muslim Youths and Western Women" offers politicians, scientists and Muslim representatives a forum to discuss means of reducing tensions and supporting successful integration. The conference was organized by Mustapha Tlili, the Director of the New York University, under the motto: "Dialogue instead of war as answer to September 11." Reporting on the international conference "Muslim Youths and Western Women" in Salzburg, mass-circulation tabloid Kronen Zeitung in its weekend issue wrote that Mustapha Tlili, conference organizer and Director of the New York University outlined the different situations of immigrant Muslims in the US and in Europe: As a nation of immigrants the US has an easier time integrating Muslims into society, Tlili argued. The prospective immigrants have to show a willingness to become good US citizens, but if they make an effort and get a good education, they can quickly move up in American society. The problem in the US is not the social status of Muslim immigrants, but American foreign policy. In Europe, according to Tlili, the situation is reversed: Foreign policy is not the problem, social status is. Unemployment is high and many Muslims in Europe remain stuck in the lower social classes. Also, religious affiliation is more of a problem for Muslims in secular Europe than in the strongly Christian-oriented US. Mustapha Tlili recommended that the American integration model be used in Europe as well. In more concrete terms, he suggested a so-called "European Citizenship Contract" between the states and the immigrants, specifying mutual rights and obligations, including learning the language of the host country and granting women the right to self-determination. Equality of opportunity is likewise important - so far, women wearing a headscarf have problems in the job market and a foreign-sounding name can create difficulties in getting an apartment. Professor Tariq Ramadan, a prominent Islamic Salzburg Conference participant, summed up the situation, "Muslims have a right to an identity of their own, however, they must commit to the state in which they live.'

Iran Making Progress on Uranium Enrichment

14. According to the Vienna-based International Atomic Energy Agency, Iran has made major progress in its uranium enrichment activities. A US daily newspaper quoted IAEA Director General Mohamed ElBaradei, as saying "we believe they by and large have the knowledge about how the enrichment process works. From now on, it is merely a question of perfecting that knowledge." ElBaradei added that he is "aware this is not what people want to hear, but it is a fact." In addition, liberal daily Der Standard wrote that Iranian President Mahmoud Ahmadinejad has threatened the US, stressing Iran would "retaliate massively," in case of a military strike against his country's nuclear program. Speaking in the United Arab Emirates on Monday, Ahmadinejad said the United States would "regret such a mistake." Sourcing US daily Washington Post, the Standard reported that the US government has meanwhile confirmed plans of talks with Iran regarding the security situation in Iraq. US Ambassador to Iraq, Ryan Crocker, is to discuss Iraq's security problems with Iranian representatives in Baghdad. Meanwhile, according to independent provincial daily Salzburger Nachrichten, the neo-cons have harshly criticized the planned direct talks between the US and Iran. Richard Perle dismissed the concept that Iran is interested in stability in Iraq and in a rapprochement with the US. Quite the contrary, Perle argued, the regime in Tehran is deliberately contributing to the instability.

No War against Muslims

15. ... emphasized Farah Pandith, US expert on Islam and a State Department's Senior Advisor to the Assistant Secretary of State for Europe and Eurasia. It is no more than a myth that the United States has a problem with Islam, she explained in an interview with an Austrian mass-circulation daily. In an interview with mass-circulation daily Kurier, a Senior Advisor to the Assistant Secretary of State for Europe and Eurasia Farah Pandith outlined the US position on Islam. The planned talks between the US and Iran on the security situation in Iraq are "a good step."

Among Pandith's priorities is working on "establishing a better dialogue with Muslim societies in the West, because minority rights are important." She also emphasized that "it is a myth that the US has a problem with Islam, or that America does not approach Islam with great respect. We are looking to build more bridges." Regarding Europe's position towards Islam and its Muslim communities, she suggested that the "ultimate goal must be to find a way for everyone to live well, and in a fair and respected way. Austria has a rich history in respecting Muslims. But the key question is: How can minorities balance out their requirements, and preserve their cultural heritage."

Rice, Steinmeier in Moscow for Talks

16. US Secretary of State Condoleezza Rice and her German counterpart Frank Walter Steinmeier will hold separate talks with Russian President Vladimir Putin in Moscow today. Austrian media, reporting on the growing tensions between Moscow and Washington over the latter's plans for a missile defense shield in Eastern Europe, believe Rice has a difficult task cut out for her in Russia. A daily quoted the Secretary of Sate as underscoring that she does not see any parallels suggesting the potential beginning of a new Cold War, however. Her German colleague Steinmeier, meanwhile, is also seeking to resolve tensions ahead of a Russia-EU summit on Friday. Liberal daily Der Standard described US Secretary of State Condoleezza Rice's Moscow trip as "a rhetoric disarmament mission." Despite the fact that relations between Washington and Moscow have cooled somewhat, there is no need to talk of a new Cold War, she stressed. US-Russian relations are not easy, but there are disastrous issues," the Secretary of State underscored. However, the "not so disastrous ones are bad enough," as they have led to tensions in a wide range of areas, the Standard commented. Similaritly, centrist daily Die Presse commented on the "disrupted US-Russian relations." Trust between the two countries has been shattered, and Rice's visit is unlikely to change that, the daily believes. According to the Presse, it is the million-dollar revenues from oil and gas sales that have made the Russian elites arrogant and proud, and have given them a feeling of invulnerability. Russia, these days sees itself as an "energy superpower. Criticism just rolls off the Kremlin; and Putin is banking on confrontation."

Talabani: Talks with Sunni Factions

17. Iraqi President Jalal Talabani said that British forces have been involved in secret talks with Sunni insurgents. In an interview with a British newspaper, Talabani explained that he and British military officials had been in contact with Iraqi militants not linked to al Oaeda.

Meanwhile, an Austrian commentator suggested that the forceful change of regime in Iraq, which has toppled the country and the majority of its population into chaos, has had a decisive impact on Iraq's neighbors as well: At this point, Iraq without a US presence there contains the threat of a disastrous power vacuum for several countries in the region, including Iran, according to liberal daily Der Standard.

Panel Says Wofowitz Violated Rules

18. A special panel of the World Bank has found that its president Paul Wolfowitz violated rules in his handling of a promotion for his girlfriend. Wolfowitz, has rejected the panel's findings, however, and is expected to appear before the full 24-member board today. There have been repeated calls for Wolfowitz' resignation in the past weeks, ORF radio early morning news Morgenjournal reported. McCaw